

PROCUREMENT 2000

PERFORMANCE BASED CONTRACTING

LaRC's SAERS CONTRACT

March 29, 2000

Stan Ward
s.w.ward@larc.nasa.gov
Phone 757-864-2476

SUMMARY OF PROGRAM REQUIREMENTS

Systems Analysis and Engineering Research Support (SAERS) Contract

Provides research support, systems analysis, engineering and research services to various research project offices and other LaRC organizations.

Services include support of ground and flight experiments; space and aeronautics research support; aircraft support; systems design and analysis; and various other research support functions.

Requirement: flexibility to support multiple, changing research programs and customers.

PROCUREMENT'S OBJECTIVES

- o Consolidate one large service contract and 15 small R & D contracts
- o Convert existing LOE contracts to PBC
- o Allow flexibility to support multiple diverse customer organizations
- o Follow-on resulted in two awards: SAERS and ART contracts
- o Mandatory flexibility for this broad base of customers and evolving research functions

SAERS PROCUREMENT OVERVIEW

Broad SOW, with Task Orders issued as research requirements arise

Multiple customer organizations, Center-wide

5 year duration (including options, plus six 1-month contingency options)

40% SDB goal (being met)

CPAF

One COTR; each Task Order has a Monitor

Award Fee assessments of completed work every 6 months

CONTRACT TYPE - WHAT & WHY

- o Cost-plus-award-fee, Task Orders
- o SAERS contract actual costs approximately \$1M per month
- o Impossible to fully detail all requirements in advance
 - Multiple customers and evolving research programs
 - Result: Cost-type contract with Task Orders
 - Award fee allowed the flexibility required by multiple Task Orders' metrics
- o Over 160 Task Orders issued to date

INCENTIVE STRUCTURE/ PERFORMANCE REQUIREMENTS AND STANDARDS

Award Fee; each task has metrics which are assessed.

Tasks contain performance standards. Completed tasks evaluated against metrics contained in the tasks. Status/progress of on-going, uncompleted or “mission” tasks is assessed, but some subjectivity is involved in that process.

After each completed task is evaluated by the task monitor, input is given to the COTR. Task grades are then factored into the contract-level performance ratings for Award Fee determination.

SURVEILLANCE PLAN/ APPROACH

As required by his delegation, the COTR developed and follows a surveillance plan. This plan includes how performance metrics will be implemented and ascertained, and how lower level reviews, through Task Monitors, will be effected. Surveillance approach includes metrics to be assessed for each Task, tied to Award Fee Plan.

SAMPLE TASK ORDER

Hyper-X Design, Evaluation, and Flight Dynamics,

Task includes:

- Background of project
- Schedule of overall program
- Task description
- Deliverables with schedule
- Metrics definitions
- Government-furnished items (software, computer resources)
- Travel requirements
- Security requirements
- Points of contact
- Contractor's response task plan
 - Tasks and schedule
 - Skill mix
 - Estimated cost
- Estimated cost and schedule

SAMPLE TASK ORDER METRICS

<i>Requirement</i>	<i>Standard</i>	<i>Surveillance Method</i>	<i>Fee Impact</i>
Timely submission of reports	Meets schedule	Comparison of required schedule with actual dates	Objective
Performance within estimated cost	Within cost	Comparison of actual costs with estimated costs	Objective
Quality of analysis	Traceability to previous work or otherwise substantiate findings	Evaluation and assessment of findings by customer	Subjective

CONCLUSIONS

For such a multiple-task, PBC contract to succeed, it is essential to have (not necessarily in this order):

- o A good surveillance plan and good implementation of it, mapped to the award fee plan
- o A well-qualified COTR with a broad research background, plus trained Task Monitors
- o Well-defined Task requirements and metrics
- o Buy-in from management, customers and the contractor
- o Management commitment for enough resources to track and administer at the contract and task levels, and adequately implement the Award Fee process